(e) if so, whether Indo-US trade has grown significantly then and if so, to what extent this decision of US will further improve US-lndo trade?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) Yes Sir. The United States through a Presidential Proclamation, on June 29,2005 has restored duty free access to certain Indian products mostly in the agro-chemicals and pharmaceuticals sector under the US Generalized System of Preferences (GSP).

(c) to (e) The restoration of GSP benefits have been made in tariff lines falling mainly in Chapters 28, 29, 32, 33, 34, 35, 36, 37 and 38 of the Harmonized System Code. The full list is available on the website www.ustr.gov. It is expected that the exports of these relevant products would increase because of the duty free access.

Indo-Park bilateral trade

1737. SHRI JESUDASU SEELAM:
DR. T. SUBBARAMI REDDY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Pakistan has decided to allow duty free import of five commodities from India through the land route in a bid to increase bilateral trade with India;

(b) if so, to what extent this has been welcomed by the Union Government;

(c) whether Union Government has also urged Pakistan to restore Most Favoured Nation status to India;

(d) whether Pakistan has also already indicated to India that it will allow duty free import of 768 commodities from India;

(e) if so, whether any final decision in this regard has been communicated to India; and

(f) if not, what are the main reasons for delay?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Yes Sir. Pakistan has allowed duty-free import of live animals, halal meats, garlic, onions, potatoes and tomatoes through land route at Wagah.

(b) In so far as Government of India is concerned, Attari Road Land Custom Station (Wagah border) is already a notified route for import and export of goods from Pakistan under Section 7 of the Customs Act, *vide* Notification No. 63/94-Cus (NT), dated 21.11.1994, as amended. Export of these items to Pakistan would be regulated under our current Export Policy.

(c) Yes Sir. Pakistan has so far not granted MFN status to India despite its obligations, including under the WTO, and has cited extraneous political, economic and other reasons for this.

(d) No Sir. Imports from India into Pakistan are regulated by the positive list of items permitted by Pakistan for import from India. Varying rates of duty are applicable on the 768 items included in the postive list of imports from India.

(e) and (f) Do not arise.

Effect of CECA with Singapore on Indian private Banks

1738. SHRI RAJEEV SHUKLA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that recently approved Comprehensive Economic Cooperation Agreement (CECA) with Singapore has provisions that confer exclusive privileges to banks based out of Singapore, including option of merging with or acquiring Indian private Banks;

(b) if so, whether the said provision can have far-reaching, negative consequences for the Indian banking industry; and

(c) whether Government will make suitable alterations to the provisions of CECA to protect interests of Indian private banks?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (c) Under the recently approved India-Singapore Comprehensive . Economic Cooperation Agreement (CECA), Singapore Banks permitted to invest in private sector banks in India through the FDI route subject to the following conditions:—

— Total foreign investment (both FDI and FII) should not exceed 74%.